

222(p). The term "this State" includes all territory owned by or ceded to the United States of America within the territorial limits or confines of the State of Maryland.

SEC. 2. *And be it further enacted*, That Sections 222(f), 222(m), 223(b), 224(c), 224(f), 224(j), 226(b), 228(c) and 239 of Article 81 of the Annotated Code of Maryland (1939 Edition), title "Revenue and Taxes", sub-title "Income Tax", be and the same are hereby repealed and re-enacted, with amendments, to read as follows:

222(f). "Fiduciary" means any person by whom the legal title to real or personal property is held for the use and benefit of another, and shall include a trustee, but shall not include an agent holding custody or possession of property owned by his principal, a guardian, a committee or trustee for an incompetent, a receiver or trustee liquidating the business of an individual, partnership or corporation, or an executor or administrator of the estate of a decedent.

222(m). "Interest" means interest from whatever source derived, and includes interest from bonds, certificates of indebtedness, evidences of debt, judgments, notes, mortgages and money at interest, and amounts received (other than amounts paid by reason of the death of the insured) under life insurance or endowment contracts, either during the term or at maturity or upon the surrender of the contract, in excess of the total amount of the premiums paid therefor.

223(b). The proceeds of life insurance policies paid by reason of the death of the insured, whether in a single sum or otherwise (but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income).

224(c). All taxes paid or accrued during the taxable year to this State, its political sub-divisions or the United States except income, excess profits, inheritance, estate, succession and gift taxes.

224(f). Debts due the taxpayer arising out of a trade or business, the income from which is subject to taxation to him under this sub-title, ascertained to be worthless and charged off within the taxable year to the extent that the same had been previously reported as income under this sub-title, or in the case of a debt existing on January 1st, 1937, to the extent of its fair market value on that date. In the case of taxpayers who keep regular books of account on an accrual basis and according to standard accounting practice, there may be de-